

Service Date September 4, 1981

DEPARTMENT OF PUBLIC SERVICE REGULATION
BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MONTANA

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IN THE MATTER of the Application) UTILITY DIVISION
of the CITY OF LAUREL to Increase) DOCKET NO. 80.11.108
Water Rates.) ORDER NO. 4745b

FINDINGS OF FACT

1. On November 10, 1980, the CITY OF LAUREL (Applicant) filed an application for authority to increase water rates, on a permanent basis, by approximately 34%, equaling a revenue increase of approximately \$98,650.

2. Concurrent with the filing of the permanent application for increased rates, the City filed an application for an interim increase in rates of approximately 15.1%, equaling a revenue increase of approximately \$48,350 or 49% of the proposed permanent increase.

3. On January 26, 1981, Interim Order No. 4745 was issued in DOCKET NO. 80.11.108. This order granted the applicant an increase in water rates effective for water service rendered on and after January 26, 1981.

4. On July 8, 1981, Final Order No. 4745a was issued in Docket No. 80.11.108. This order granted the applicant an increase in water rates resulting in an approximate revenue increase of \$98,650. This order also modified the rate structure that was proposed by the Applicant.

5. On August 10, 1981, the Mayor of Laurel submitted a request for reconsideration of Order No. 4745a requesting the Commission to allow certain modifications to the rate

structure authorized in that order.

6. The Applicant requested that the City be allowed to reduce the rate on raw water, that the customer charge include 300 cubic feet of consumption, that the multi-family rates be re-instituted, that the total consumption figure presented at the hearing be corrected because it had been overstated and that the fire hydrant rental be decreased.

7. The Commission on August 28, 1981, in its regularly scheduled agenda meeting ruled on the request for reconsideration and determined that all items in the request had been adequately addressed in Order No. 4745a with the exception of the corrected consumption figures.

8. At the time of the public hearing the City presented a total consumption figure for the year 1980 of 91,962,965 cubic feet. After further review the City determined that it had double counted the consumption of several accounts which resulted in an overstatement of actual consumption. The corrected consumption figure for the year 1980 is 66,463,035 cubic feet and the reduction in actual consumption necessitates that the Commission re-calculate the authorized consumption rate. Consistent with Order 4745a Finding of Fact 15, the Commission finds the authorized consumption rate should be 46 cents per hundred cubic feet of water consumed.

CONCLUSIONS OF LAW

1. The Commission has jurisdiction over parties and the subject matter in the proceeding.

2. The Commission has afforded all interested persons notice and opportunity to participate in these proceedings.

3. The rates approved herein are just and reasonable.

ORDER

1. NOW WHEREFORE IT IS ORDERED that Applicant's Motion to Reconsider Order No. 4745a is GRANTED IN PART and DENIED IN PART. The motion to reconsider is granted as it relates to the correction of consumption figures and is denied in all other respects.

2. Applicant is directed to file a consumption rate of 46 cents per one hundred cubic feet of water consumed.

3. The effective date shall be for water service rendered on and after August 28, 1981.

Done in Open Session this 28th day of August 1981, by a vote of 5-0.

BY ORDER OF THE MONTANA PUBLIC SERVICE COMMISSION

GORDON E. BOLLINGER, Chairman

JOHN B. DRISCOLL, Commissioner

HOWARD L. ELLIS, Commissioner

THOMAS J. SCHNEIDER, Commissioner

ATTEST:

Madeline L. Cottrill
Commission Secretary
(SEAL)

NOTE: You may be entitled to judicial review of the final decision in this matter. If no Motion for Reconsideration is filed, judicial review may be obtained by filing a petition for review within thirty(30) days from the service of this order. If

a Motion for Reconsideration is filed, a Commission order is final for purpose of appeal upon the entry of a ruling on that motion, or upon the passage of ten (10) days following the filing of that motion. cf. the Montana Administrative Procedure Act, esp. Sec. 2-4-702, MCA and Commission Rules of Practice and Procedure, esp. 38.2.4806 ARM.